



City of Seattle

Department of Planning and Development
D. M. Sugimura, Director

**CITY OF SEATTLE
ANALYSIS AND RECOMMENDATION OF THE DIRECTOR
OF THE DEPARTMENT OF PLANNING AND DEVELOPMENT**

Application Number: 3012117
Applicant Name: Clayton Graham for The Seattle Times
Address of Proposal: 1120 John St
Council File: 311541

SUMMARY OF PROPOSED ACTION

Council Land Use Action to rezone 110,442 sq. ft. from IC-85 to SM-85 (1120 John St). Property is bounded on north and south by Thomas St and John St, and on the east and west by Fairview Ave N and Boren Ave N.

The following approvals are required:

Rezone - to rezone from IC-85 to SM-85 (Seattle Municipal Code 23.34).

SEPA - Environmental Determination - Seattle Municipal Code Chapter 25.05.

SEPA DETERMINATION: ☐ Exempt ☒ DNS ☐ MDNS ☐ EIS

☐ DNS with conditions

☐ DNS involving non-exempt grading, or demolition,
or another agency with jurisdiction.

BACKGROUND DATA

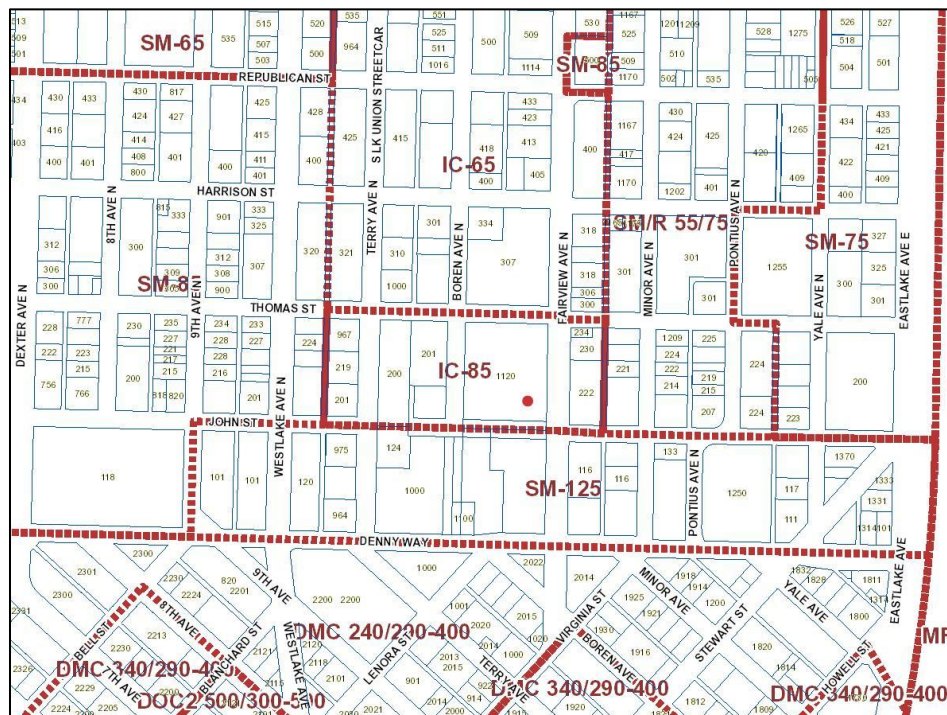
Site and Vicinity Description

The area proposed to be rezoned (the “subject site”) is the block bounded by Thomas St on the north, John St on the south, Fairview Ave N on the east and Boren Ave N on the west. The block consists of a single tax parcel, Parcel Identification Number (PIN) 1986200525, and includes the vacated alley that runs north and south through the site.

The property is currently zoned Industrial Commercial with a height limit of 85 feet (IC-85) and has an area of 110,442 sq. ft. The applicant is requesting a rezone from IC-85 to Seattle Mixed with a height limit of 85 feet (SM-85).

The subject site is currently developed with the Seattle Times facilities, including the original Seattle Times Building which was constructed in 1930 and designated as a Seattle Landmark in 1996 (Ordinance No. 118046). No demolition, alteration or change of use of any portion of the structure is proposed as part of this rezone application. Any future proposals for redevelopment of the site may require a Certificate of Approval from the Department of Neighborhoods Historic Preservation Board, but DON staff has indicated that no C of A or mitigation is required for the proposed rezone.

The subject site and surrounding properties are shown on the map, below. The site is depicted with a 'dot'. As shown on the map: properties north of the site are currently zoned Industrial Commercial (IC-65), properties to the east are zoned Seattle Mixed/Residential (SM/R 55/75), properties to the south are zoned Seattle Mixed (SM-125), and properties to the west are zoned Seattle Mixed (SM-85).



The subject site is located within the South Lake Union Urban Center, and is part of a larger area currently under consideration by City Council for rezoning. The proposed zoning designation for the subject site under the legislative rezone is Seattle Mixed with a variable height limit (SM 160/85-240). (Under the city's proposal, the first number represents the maximum height allowed for commercial uses, and the following numbers represent the range of heights which may be permitted for residential uses depending on whether or not the proposed incentive zoning options are utilized.) The analysis of the legislative rezone proposal for the area may be found in the *Draft and Final Environmental Impact Statements for the South Lake Union Height and Density Alternatives*, published in February 2011 and April 2012, respectively. These documents are incorporated herein by this reference.

Fairview Ave N is a Principal Arterial, a Class II Pedestrian Street, and a designated SEPA Scenic Route. Thomas St, Boren Ave N and John St are all non-arterials.

There are no environmentally critical areas mapped or observed on site.

Proposal Description

The applicant proposes a contract rezone to change the zoning designation of an 110,478 sq. ft. property from IC-85 to SM-85. The applicant proposes a Property Use and Development Agreement to ameliorate any impact of development or use change, as follows:

“To not increase the height or FAR from that currently allowed under the IC zone unless and until the City adopts revised zoning for the SM zone or this site.”

There are no changes of use or other development, alterations or demolition proposed as part of this rezone application.

Public Comments

Notice of the rezone proposal was issued June 2, 2011 and was extended to June 29, 2011 by public request. Several comments were received. Comments included requests for additional information (which was provided) as well as opinions both in support of and opposed to the proposed rezone. A few people who expressed support for the proposal stated that it was based on the applicant's proposed Property Use and Development Agreement (PUDA) that would leave the existing height and Floor Area Ratio (FAR) unchanged as part of the proposal. A few people also requested that an existing green-space located on the block south of the subject site be maintained, but that is outside of the scope of this review.

ANALYSIS – REZONE

Seattle Municipal Code (SMC) Chapter 23.34, “Amendments to Official Land Use Map (Rezoning),” allows the City Council to approve a map amendment (rezone) according to procedures as provided in Chapter 23.76, Procedures for Master Use Permits and Council Land Use Decisions. The owner/applicant has made application, with supporting documentation, per SMC 23.76.040 D, for an amendment to the Official Land Use Map. Contract rezones and PUDAs are provided for in the Code at SMC 23.34.004.A.

The applicable requirements for this rezone proposal are stated in SMC Sections 23.34.004, (contract rezones) 23.34.007 (rezone evaluation), 23.34.008 (general rezone criteria), 23.34.009 (height limits), 23.34.090 (designation of industrial zones), 23.34.096 (locational criteria, Industrial Commercial zone), 23.34.126 (designation of Seattle Mixed zone), and 23.34.128 (SM zone function and locational criteria).

Applicable portions of the rezone criteria are shown in italics, followed by analysis in regular typeface.

SMC 23.34.004 Contract rezones.

- A. *Property Use and Development Agreement (PUDA). The Council may approve a map amendment subject to the execution, delivery and recording of an agreement executed by the legal or beneficial owner of the property to be rezoned to self-imposed restrictions upon the use and development of the property in order to ameliorate adverse impacts that could occur from unrestricted use and development permitted by development regulations otherwise applicable after the rezone. All restrictions shall be directly related to the impacts that may be expected to result from the amendment. A rezone shall be conditioned on performance or compliance with the terms and conditions of the property use and development agreement. Council may revoke a contract rezone or take other appropriate action allowed by law for failure to comply with a PUDA. The agreement shall be approved as to form by the City Attorney, and shall not be construed as a relinquishment by the City of its discretionary powers.*

As noted above, the applicant proposes a Property Use and Development Agreement, as follows:

“To not increase the height or FAR from that currently allowed under the IC zone unless and until the City adopts revised zoning for the SM zone or this site.”

No changes of use or other development or demolition are proposed as part of this rezone application. DPD’s analysis and recommendation with regard to the PUDA will follow a discussion of anticipated impacts and potential mitigation measures, below.

- B. *Waiver of Certain Requirements. The ordinance accepting the agreement may waive specific bulk or off-street parking and loading requirements if the Council determines that the waivers are necessary under the agreement to achieve a better development than would otherwise result from the application of regulations of the zone. No waiver of requirements shall be granted which would be materially detrimental to the public welfare or injurious to property in the zone or vicinity in which the property is located.*

No waivers are being requested as part of the proposed rezone.

SMC 23.34.007 Rezone Evaluation.

- A. *The provisions of this chapter shall apply to all rezones, except correction of mapping errors. In evaluating proposed rezones, the provisions of this chapter shall be weighed and balanced together to determine which zone or height designation best meets these provisions. In addition, the zone function statements, which describe the intended function of each zone designation, shall be used to assess the likelihood that the area proposed to be rezoned would function as intended.*

This rezone is not proposed to correct a mapping error, and therefore the provisions of this chapter apply. In evaluating the proposed rezone the provisions of this chapter have been weighed and balanced together to determine which zone and height designation best meets the provisions of the chapter. Additionally, the zone function statements have been used to assess the likelihood that the proposed rezone will function as intended.

- B. No single criterion or group of criteria shall be applied as an absolute requirement or test of the appropriateness of a zone designation, nor is there a hierarchy or priority of rezoning considerations, unless a provision indicates the intent to constitute a requirement or sole criterion.*

This analysis evaluated the full range of criteria called for and outlined in Chapter 23.34 Amendments to Official Land Use Map (Rezoning) as they apply to the subject rezoning (listed at the beginning of this “Analysis” section).

- C. Compliance with the provisions of this chapter shall constitute consistency with the Comprehensive Plan for the purpose of reviewing proposed rezonings, except that Comprehensive Plan Shoreline Area Objectives shall be used in shoreline environment redesignations as provided in SMC Subsection 23.60.060 B3.*

The proposed rezoning is not a shoreline environment redesignation and so the Comprehensive Plan Shoreline Area Objectives were not used in this analysis.

- D. Provisions of this chapter that pertain to areas inside of urban centers or villages shall be effective only when a boundary for the subject center or village has been established in the Comprehensive Plan. Provisions of this chapter that pertain to areas outside of urban villages or outside of urban centers shall apply to all areas that are not within an adopted urban village or urban center boundary.*

The subject site is located within the South Lake Union Urban Center established in the Comprehensive Plan. The proposed rezoning has been evaluated according to provisions of this chapter that apply to areas that are located within urban villages and urban centers.

- E. The procedures and locational criteria for shoreline environment redesignations are located in Sections 23.60.060 and 23.60.220, respectively.*

The subject rezoning is not a redesignation of a shoreline environment and so is not subject to Shoreline Area Objectives.

- F. Mapping errors due to cartographic or clerical mistakes may be corrected through process required for Type V Council land use decisions in SMC Chapter 23.76 and do not require the evaluation contemplated by the provisions of this chapter.*

The subject rezoning is not a correction of a mapping error and so should not be evaluated as a Type V Council land use decision.

Conclusion:

The proposed rezoning meets the requirements of SMC 23.34.007, per the analysis above.

SMC 23.34.008 General rezone criteria.

A. *To be approved a rezone shall meet the following standards:*

1. *In urban centers and urban villages, the zoned capacity for the center or village taken as a whole shall be no less than 125% of the growth targets adopted in the Comprehensive Plan for that center or village.*
2. *For the area within the urban village boundary of hub urban villages and for residential urban villages taken as a whole the zoned capacity shall not be less than the densities established in the Urban Village Element of the Comprehensive Plan.*

The subject site is located within the South Lake Union Urban Center. The 2004 Seattle Comprehensive Plan set 20-year growth targets for South Lake Union at 8,000 households and 12,000 jobs representing approximately 17 percent of citywide household growth and 19 percent of citywide growth in jobs. The growth targets are anticipated to increase to 12,000 households and 22,000 jobs by 2031, according to the South Lake Union FEIS. Further, the South Lake Union FEIS concluded that the existing zoning provides adequate development capacity for existing 2024 growth targets, but not enough capacity to meet the 2031 growth target estimates.

Since most residential uses are prohibited under the current IC zoning, the proposed rezone to SM (which allows residential and most commercial uses outright) will add development capacity and help to achieve the long term growth targets for the area.

B. *Match between Established Locational Criteria and Area Characteristics. The most appropriate zone designation shall be that for which the provisions for designation of the zone type and the locational criteria for the specific zone match the characteristics of the area to be rezoned better than any other zone designation.*

An analysis comparing the characteristics of the area to the locational criteria for both IC and SM zones is found in the responses to SMC 23.34.096 and 23.34.128 below. Based on the analysis, the site has been determined to better match the locational criteria for the SM zone.

C. *Zoning History and Precedential Effect. Previous and potential zoning changes both in and around the area proposed for rezone shall be examined.*

In 1923, when Seattle's first zoning code was adopted, the subject site was located in an "Industrial District" zone. In 1947, the zoning designation was "Commercial District- Area D" (C-D). In 1967, the property was split zoned "Manufacturing" (M) and "General Commercial" (CG). In 1985, the entire property was zoned Industrial Commercial with an 85-foot height limit (IC-85), as it is currently.

As noted above, the subject site is located within the larger South Lake Union Urban Center which has been the subject of an ongoing study of potential zoning changes including publication of the *Draft and Final Environmental Impact Statements for South Lake Union Height and Density Alternatives*, published February 2011, and April 2012, respectively. Legislation which is currently before Council proposes to change the zoning of the subject site, and the surrounding IC-65 and IC-85 zones, to Seattle Mixed with a variable height limit (SM 160'/85'-240').

The first number is the maximum height limit for commercial uses and the second is the maximum for residential uses, with the range representing the limits that may be achieved through incentive zoning under the City's proposal. Under the City's proposal, developers would generally be allowed to build to current height and floor area ratio without using the incentive zoning, but could achieve greater height and additional floor area (FAR) by providing public amenities such as affordable housing and childcare.

The applicant's proposal is to rezone the site to SM-85 and, "To not increase the height or FAR from that currently allowed under the IC zone unless and until the City adopts revised zoning for the SM zone or this site."

The current and proposed heights, at 85 feet, are the same.

The current base FAR for the subject site under the IC-85 zoning is 3. The base FAR under the current SM 85 zone is 4.5. However, under the applicant's proposed PUDA, the FAR for the subject property would remain at 3 even if the applicant's proposed SM-85 zoning is approved.

The PUDA also proposes that if the applicant's proposal is approved and the Council subsequently adopts the areawide zoning proposal, the subject site would be rezoned along with the other properties in the South Lake Union area. If the areawide rezone is approved, the subject site would be rezoned to SM 160/85-240 with the same FAR that would apply to other SM 160/85-240 zones in the vicinity.

Potential development under the applicant's proposal would be the same as under the City's proposal with regard to allowed uses. Regarding height and FAR, the applicant's proposal would allow much less development than under the City's proposal.

The applicant's proposal is consistent with both the existing IC height and FAR. It is also consistent with other SM zones in the vicinity with the exception of the limited FAR proposed as part of the PUDA. Although the proposal would limit development when compared with the City's areawide proposal it does not preclude the City's proposed zoning if it is adopted. For these reasons, the proposed rezone is not expected to be precedential.

1. *Council adopted neighborhood plans that apply to the area proposed for rezone shall be taken into consideration.*

The current South Lake Union Urban Center Neighborhood Plan was adopted by Council in 2007. The plan is comprised of goals, policies, strategies and discussions. Under a section of the plan titled, "Housing Goals, Policies and Strategies" Goal 11 states: "A wide range of housing types is integrated into the community accommodating households that are diverse in their composition and income." Under Goal 11, Policy 38 states: "Allow housing and businesses throughout South Lake Union to provide opportunities for people to work and live in the neighborhood. Consider redesignating the industrial commercial zone to allow a wider variety of uses, including housing." Strategy 38a reads: "Strategy 38a: Rezone the Industrial Commercial (IC) zone to the Seattle Mixed (SM) zone to allow housing."

The Seattle Comprehensive Plan Future Land Use Map identifies the South Lake Union Area as a “Commercial/Mixed Use Area.” The proposal is consistent with this, however, as noted on the map: “The future land use map is intended to illustrate the general location and distribution of the various categories of land uses anticipated by the Comprehensive Plan policies over the life of this plan. It is not intended to provide the basis for rezones and other legislative and quasi-judicial decisions, for which the decision makers must look to the Comprehensive Plan policies and various implementing regulations.”

2. *Where a neighborhood plan adopted or amended by the City Council after January 1, 1995, establishes policies expressly adopted for the purpose of guiding future rezones, but does not provide for rezones of particular sites or areas, rezones shall be in conformance with the rezone policies of such neighborhood plan.*

The South Lake Union Neighborhood Plan, as noted above, includes adopted goals, policies and strategies including: “Strategy 38a: Rezone the Industrial Commercial (IC) zone to the Seattle Mixed (SM) zone to allow housing.” The proposal is in conformance with this strategy and related policies.

D. Zoning Principles. The following zoning principles shall be considered:

1. *The impact of more intensive zones on less intensive zones or industrial and commercial zones on other zones shall be minimized by the use of transitions or buffers, if possible. A gradual transition between zoning categories, including height limits, is preferred.*
2. *Physical buffers may provide an effective separation between different uses and intensities of development. The following elements may be considered as buffers:*
 - a. *Natural features such as topographic breaks, lakes, rivers, streams, ravines and shorelines;*
 - b. *Freeways, expressways, other major traffic arterials, and railroad tracks;*
 - c. *Distinct change in street layout and block orientation;*
 - d. *Open space and greenspaces;*
3. *Zone Boundaries.*
 - a. *In establishing boundaries the following elements shall be considered:*
 - 1) *Physical buffers as described in subsection E2 above;*
 - 2) *Platted lot lines.*
 - b. *Boundaries between commercial and residential areas shall generally be established so that commercial uses face each other across the street on which they are located, and face away from adjacent residential areas. An exception may be made when physical buffers can provide a more effective separation between uses.*

4. *In general, height limits greater than forty (40) feet should be limited to urban villages. Height limits greater than forty (40) feet may be considered outside of urban villages where higher height limits would be consistent with an adopted neighborhood plan, a major institution's adopted master plan, or where the designation would be consistent with the existing built character of the area.*

The subject site is a city block bounded by streets on all sides. The existing zoning of the surrounding area is shown on the map, above. The IC-85 zone in which the subject site is located extends one-half block to the east, and one-and-a-half blocks to the west of the site. East of the IC zone, the zoning is SM/R 55/75 and to the west is SM-85. Immediately south of the site, across John St, the zoning is SM-125. North of the site, the zoning is IC-65.

Regarding height, the site is located within the South Lake Union Urban Center and the proposed SM -85 zone is consistent with the existing height limit of the IC-85 zone.

- E. *Impact Evaluation. The evaluation of a proposed rezone shall consider the possible negative and positive impacts on the area proposed for rezone and its surroundings.*

1. *Factors to be examined include, but are not limited to, the following:*

- a. *Housing, particularly low-income housing;*
- b. *Public services;*
- c. *Environmental factors, such as noise, air and water quality, terrestrial and aquatic flora and fauna, glare, odor, shadows, and energy conservation;*
- d. *Pedestrian safety*
- e. *Manufacturing activity;*
- f. *Employment activity;*
- g. *Character of areas recognized for architectural or historic value;*
- h. *Shoreline view, public access and recreation.*

This application is for a rezone from IC-85 to SM-85 with no proposed changes in height or FAR. There are no changes of use or other development proposed as part of this application. The impact of the proposed rezone would be to change the allowed uses of the property. Residential uses which are generally prohibited under the current IC zoning would be generally permitted under the proposed SM zoning. Heavy manufacturing uses and all high impact uses would be prohibited under the proposed SM zoning. As a result, opportunities for housing would increase under the proposal.

The proposed change in the potential mix of uses that would be allowed under the proposed rezone is not anticipated to have a significant impact on public services. Impacts on the environment and pedestrian safety are also expected to be minimal. As noted above, heavy manufacturing uses would be prohibited under the proposed zoning designation. The existing use, categorized as light manufacturing, would continue to be a permitted use in the SM zone. The SM zone allows most commercial uses, and the proposal is not anticipated to adversely impact employment opportunities.

Regarding the historic character of the area, the existing Seattle Times Building is a designated City Landmark. The application does not include any proposed changes to the building so no adverse impacts to historic resources are anticipated as a result of this proposal.

The subject site is not located within the Shoreline District.

2. *Service Capacities. Development which can reasonably be anticipated based on the proposed development potential shall not exceed the service capacities which can reasonably be anticipated in the area, including:*
 - a. *Street access to the area;*
 - b. *Street capacity in the area;*
 - c. *Transit service;*
 - d. *Parking capacity;*
 - e. *Utility and sewer capacity;*
 - f. *Shoreline navigation*

As noted above, the proposed rezone does not include any increase in height or FAR and is not anticipated to result in a significant increase in the development capacity of the subject site. The rezone will allow a different mix of uses (more residential/less heavy manufacturing) than currently allowed. For this reason, the proposal is not anticipated to exceed current capacity to any greater extent than the existing zoning. The FEIS identifies existing deficiencies in the transportation network in the vicinity of the subject site under the No Action alternative, and states: “These deficiencies would be caused by future development and individual project-level mitigation could reduce the magnitude of the deficiency; however, this level of detail is not known and cannot be considered in this EIS.” It is reasonable to conclude that the level of impact of future development under the proposed rezone would be comparable to that of the No Action alternative analyzed under the EIS. As noted in the EIS, the impact of future development will be analyzed and mitigated on a project-level basis at such time as future development is proposed.

Regarding sewer capacity, Seattle Public Utilities has provided the following comment: “If the proposed re-zone and subsequent development includes a change in use such that the sanitary flows increase over current conditions the applicant will be required to do an analysis of the combined sewer system for capacity. The analysis would apply to the 8-inch combined sewer line in Boren Ave N from John St on the South to Republican on the north then one block west to the final connection to the King County Metro mainline. System improvements may be required.”

- F. *Changed Circumstances. Evidence of changed circumstances shall be taken into consideration in reviewing proposed rezones, but is not required to demonstrate the appropriateness of a proposed rezone. Consideration of changed circumstances shall be limited to elements or conditions included in the criteria for the relevant zone and/or overlay designation in this chapter.*

The City of Seattle’s Comprehensive Plan 2004 update designated the area in which the subject site is located as the South Lake Union Urban Center. Goals and policies South Lake Union were adopted as part of the 2006 Comprehensive Plan update, and updated in 2007. In 2008, the Future Land Use Map designation of land within the South Lake Union Urban Center was changed from Industrial to Commercial/Mixed to allow rezones in accordance with the adopted South Lake Union Urban Center Neighborhood Plan (Ordinance No. 122832). In February 2011, the Draft Environmental Impact Statement for South Lake Union: Height and Density Alternatives was published. The Final Environmental Impact Statement was published in April 2012.

- G. Overlay Districts. If the area is located in an overlay district, the purpose and boundaries of the overlay district shall be considered.*

The property is located within the outer transition area of the Airport Height Overlay District. The 85-foot height limit is well below the maximum development permitted within the AHOD.

- H. Critical Areas. If the area is located in or adjacent to a critical area (SMC Chapter 25.09), the effect of the rezone on the critical area shall be considered.*

There are no environmentally critical areas mapped or observed on site.

Conclusion:

The proposed rezone meets all the requirements of SMC 23.34.008, per the analysis above.

SMC 23.34.009 Height limits of the proposed rezone.

Where a decision to designate height limits in Commercial or Industrial zones is independent of the designation of a specific zone, in addition to the general rezone criteria of Section 23.34.008, the following shall apply:

- A. Function of the zone. Height limits shall be consistent with the type and scale of development intended for each zone classification. The demand for permitted goods and services and the potential for displacement of preferred uses shall be considered.*
- B. Topography of the Area and its Surroundings. Height limits shall reinforce the natural topography of the area and its surroundings, and the likelihood of view blockage shall be considered.*
- C. Height and Scale of the Area.*
 - 1. The height limits established by current zoning in the area shall be given consideration.*
 - 2. In general, permitted height limits shall be compatible with the predominant height and scale of existing development, particularly where existing development is a good measure of the area's overall development potential.*
- D. Compatibility with Surrounding Area.*
 - 1. Height limits for an area shall be compatible with actual and zoned heights in surrounding areas excluding buildings developed under Major Institution height limits; height limits permitted by the underlying zone, rather than heights permitted by the Major Institution designation, shall be used for the rezone analysis.*
 - 2. A gradual transition in height and scale and level of activity between zones shall be provided unless major physical buffers, as described in Subsection 23.34.008.D.2 are present.*

E. Neighborhood Plans

- 1. Particular attention shall be given to height recommendations in business district plans or neighborhood plans adopted by the City Council subsequent to the adoption of the 1985 Land Use Map.*
- 2. Neighborhood plans adopted or amended by the City Council after January 1, 1995 may require height limits different than those that would otherwise be established pursuant to the provisions of this section and Section 23.34.008.*

Conclusion:

The SM zone is defined as a commercial zone according to SMC 23.84A.048. The proposed SM-85 zone has the same height limit as the existing IC-85 zone. SMC 23.34.128, Seattle Mixed zone, function and locations criteria, states (in part): “E. Height. Height limits of forty (40) feet, fifty-five (55) feet, sixty-five (65) feet, seventy-five (75) feet, eighty-five (85) feet, and one-hundred twenty-five (125) feet may be applied to land zoned SM. . . . A sixty-five (65) foot, seventy-five (75) foot, or eighty-five (85) foot shall apply where it is appropriate to provide for a uniform and pedestrian scale.”

The proposed height is entirely consistent with the existing height, and with adopted Comprehensive Plan policies.

SMC 23.34.090 Designation of industrial zones.

- A. The industrial zones are intended to support existing industrial activity and related businesses and provide for new industrial development, as well as increased employment opportunities.*
- B. Industrial areas are generally well-served by rail, truck and water transportation facilities and do not require direct vehicular access through residential zones.*
- C. Relative isolation from residential zones either by distance or physical buffers shall be preferred in the creation of new industrial zones.*
- D. Areas where the infrastructure (streets, water, sewer, electrical, and other facilities) is adequate, or can be upgraded at a reasonable cost, are preferred to accommodate an industrial designation.*
- E. 1. Economic Development. Increasing industrially zoned land shall be favorably considered when such action will provide additional opportunities for business expansion, retention of manufacturing and other industrial firms in Seattle, or increased employment, especially employment that adds to or maintains the diversity of job opportunities in Seattle. Land proposed to be assigned an industrial designation shall be suitable for manufacturing, research and development and other industrial uses and shall meet the locational criteria for the industrial zone.*
 - 2. The rezone shall enhance and strengthen the industrial character of an area.*
- F. In determining appropriate boundaries with residentially and commercially zoned land, the appropriate location and rezone criteria shall be considered.*
- G. Rezoning of Industrial Land. Rezoning of industrial land to a less-intensive zone shall be discouraged unless most of the following can be shown:*

1. *The area does not meet the locational criteria for the industrial zone.*
 2. *The rezone will not decrease industrial development and employment potential, especially manufacturing employment.*
 3. *The rezone would not result in existing industrial uses becoming nonconforming.*
 4. *The area clearly functions as a residential or commercial zone, has little or no potential for industrial development, and would not lead to further encroachment of residential, office, or retail uses into industrially zoned land located adjacent to or near the proposed rezone.*
 5. *The rezone shall be consistent with the Seattle Shoreline Master Program.*
 6. *The area is not part of an adopted Manufacturing/Industrial Center (MIC).*
- H. *Compatibility With Scale and Character of Surrounding Area-Edges. In general, a transition in scale and character shall be provided between zones. A gradual change in height limit or an area of transition (e.g., commercial zone between residential and industrial zones) shall be provided when the area lacks physical edges. Rezones shall achieve a better separation between residential and industrial zones, significantly reducing or eliminating major land use conflicts in the area. The following elements shall be considered physical edges or buffers:*
1. *Natural features such as topographic breaks, lakes, streams, ravines and shorelines;*
 2. *Freeways, expressways, other major traffic arterials, and railroad tracks;*
 3. *Changes in street layout and block orientation;*
 4. *Open spaces and greenspaces.*
- I. *Existing Pattern of Development. Consideration shall be given to whether the area is primarily industrial, commercial, residential, or a mix, and whether the area is fully developed and in need of room for expansion, or minimally developed with vacant parcels and structures.*

The South Lake Union area is in transition from industrial and manufacturing uses to residential and commercial uses. This transition is supported by adopted City policies, including the 2008 change to the Future Land Use Map which changed the designation from Industrial to Commercial/Mixed Use. The proposed rezone to SM-85 is more consistent with adopted policies than the current IC-85 zoning designation. Further, the existing Seattle Times facility is categorized as light industrial for purposes of the Land Use Code, and would remain a permitted use under the proposed SM zone.

SMC 23.34.096 Locational criteria—Industrial Commercial (IC) zone.

The Industrial Commercial (IC) zone is intended to promote development of businesses which incorporate a mix of industrial and commercial activities, including light manufacturing and research and development, while accommodating a wide range of other employment activities. In reviewing a proposal to rezone an area to Industrial Commercial (IC), the following criteria shall be considered:

- A. *Areas with amenities such as shoreline views, proximity to downtown, or access to public open spaces that could provide an attraction for new businesses, particularly new technology-oriented and research and development activities which might otherwise be likely to seek locations outside the City;*

- B. Areas in close proximity to major institutions capable of providing support for new technology-oriented and research and development businesses;*
- C. Former industrial areas which are undergoing a transition to predominantly commercial or mixed commercial and industrial activity, but where transportation and/or other infrastructure capacities are constrained and can only accommodate modest growth without major improvements;*
- D. Areas where there is an existing concentration of technology-oriented and research and development uses which may be subject to displacement by commercial development;*
- E. Areas which are underutilized and, through substantial redevelopment, could provide the type of campus-like environment attractive for new technology-oriented industrial and commercial development.*

The transition from manufacturing and industrial uses to residential and commercial uses in this area has been recognized and acknowledged by the city through adopted changes to the Comprehensive Plan, including the Future Land Use Map which changed the designation of the area from Industrial to Commercial/Mixed Use. There are no Major Institution Overlays in the vicinity. The subject site is not developed with technology-oriented and research and development uses, so these will not be displaced by the proposal.

SMC 23.34.126 Designation of the Seattle Mixed (SM) zone.

The Seattle Mixed (SM) zone is applied to achieve the goal of a diverse, mixed-use community with a strong pedestrian orientation. The zone permits a wide range of uses and promotes density to encourage a mixed-use neighborhood. This zoning designation balances the need for flexibility and a variety of activities with the need to provide adequate direction to ensure the presence of housing and commercial activities critical to the success of an urban neighborhood.

The proposed SM zoning designation will provide consistency with the adopted Comprehensive Plan policies for this area.

SMC 23.34.128 Seattle Mixed (SM) zone, function and locational criteria.

In considering rezones to the Seattle Mixed (SM) zone designation the following function and locational criteria shall be taken into consideration:

- A. Function. An area that provides for a wide range of uses to encourage development of the area into a mixed-use neighborhood with a pedestrian orientation or an area that is in transition from traditional manufacturing or commercial uses to one where residential use is also appropriate;*
- B. Transportation and Infrastructure Capacity. An area that is well-served by transit and vehicular systems and where utility infrastructure is adequate, or where such systems and infrastructure can be readily expanded to accommodate growth;*
- C. Relationship to Surrounding Activity. An area that provides a transition from a densely developed or zoned neighborhood or from industrial activity;*

- D. Mix of Use. An area within the SM zone may be identified for the purposes of encouraging a primarily residential character. Such an area shall be designated as Seattle Mixed/Residential (SM/R). Within the SM/R area, nonresidential uses shall generally be of modest scale or neighborhood-serving in character;*
- E. Height. Height limits of forty (40) feet, fifty-five (55) feet, sixty-five (65) feet, seventy-five (75) feet, eighty-five (85) feet, and one hundred twenty-five (125) feet may be applied to land zoned SM. A forty (40) or fifty-five (55) foot height shall be applied to the SM/R designation, or where it is appropriate to limit the intensity and scale of new development. A sixty-five (65) foot, seventy-five (75) foot or eighty-five (85) foot height shall apply where it is appropriate to provide for a uniform and pedestrian scale. A one hundred twenty five (125) foot height may be designated to serve as transition from areas where greater heights are permitted.*

As noted above, the subject site is in an area undergoing a transition from industrial to residential and commercial uses. This transition is acknowledged by the adopted city policies for this area which include a change in designation from Industrial to Commercial/Mixed Use. The proposed rezone will serve to further accomplish the city's adopted policies for the South Lake Union Urban Center. Since no development is proposed as part of this rezone proposal, a designation of SM, rather than SM/R is more appropriate as it supports a wider range of potential uses.

Conclusion:

Based on the analysis, the site has been determined to better match the locational criteria for the SM zone.

RECOMMENDATION – REZONE

Based on the analysis undertaken in this report, and the weighing and balancing of all the provisions in SMC 23.34, the Director recommends that the subject site be rezoned from IC-85 to SM-85.

Although the applicant has not identified any specific impacts that they are seeking to ameliorate with the proposed PUDA, the Department does not object to their request to maintain the current height and FAR for the site.

The Director recommends approval of the proposed rezone from IC-85 to SM-85 with the PUDA as proposed by the applicant, as follows:

“To not increase the height or FAR from that currently allowed under the IC zone unless and until the City adopts revised zoning for the SM zone or this site.”

ANALYSIS - SEPA

The initial disclosure of the potential impacts from this project was made in the environmental checklist submitted by the applicant, May 3, 2011, and annotated by the Department. Information available in the City of Seattle's Draft and Final Environmental Impact Statements for the South Lake Union Height and density Alternatives (published February 2011 and April 2012) was also considered. The DEIS and FEIS are incorporated herein by this reference. The information in the checklist, DEIS and FEIS, supplemental information provided by the applicant, and the experience of the lead agency with review of similar projects form the basis for this analysis and decision.

The SEPA Overview Policy (SMC 25.05.665 D) clarifies the relationship between codes, policies, and environmental review. Specific policies for each element of the environment, certain neighborhood plans, and other policies explicitly referenced may serve as the basis for exercising substantive SEPA authority.

The Overview Policy states in part: "where City regulations have been adopted to address an environmental impact, it shall be presumed that such regulations are adequate to achieve sufficient mitigation" (subject to some limitations). Under certain limitations and/or circumstances (SMC 25.05.665 D 1-7) mitigation can be considered. Thus, a more detailed discussion of some of the impacts is appropriate.

Short-term Impacts

Approval of the above-recommended rezone to SM-85, would allow residential uses which are currently generally prohibited in the IC-85 zone. No development, alterations or changes of use to the existing structures on-site are proposed. The existing Seattle Times Building is a designated City Landmark, and a Certificate of Approval from the Landmarks Preservation Board would be required for any future proposed changes to that building. Since no development is proposed at this time, no short term or construction impacts are anticipated as part of this proposal. In addition to review by the Landmarks Preservation Board, future development may be subject to SEPA review and any impacts associated with future development may be analyzed at such time as development is proposed.

Long-term Impacts

As noted above, the proposed change in zoning from IC-85 to SM-85 would allow for residential uses currently not allowed under the current IC the zone. Heavy manufacturing uses and high-impact uses would become prohibited under the SM zoning designation. The applicant proposes a Property Use and Development Agreement (PUDA), as follows:

"To not increase the height or FAR from that currently allowed under the IC zone unless and until the City adopts revised zoning for the SM zone or this site."

Long-term or use-related impacts of the project are expected at such time as future development of the site is proposed and may include: increased bulk and scale on the site, increased activity in the area, increased demand for public services and utilities, increases in carbon dioxide and other greenhouse gas emissions, and increased light and glare. These impacts would occur whether or not the zoning, and allowed mix of uses, changes or remains the same.

Several adopted City codes and/or ordinances provide mitigation for some of the identified impacts. Specifically these area: the Stormwater Code which requires onsite detention of stormwater with provisions for controlled tightline release to an approved outlet and may required additional design elements to prevent isolated flooding, the City Energy Code which will require insulation for outside walls and energy efficient windows, and the Land Use Code which controls site coverage, setbacks, building height and use and contains other development and use regulations to assure compatible development. Compliance with these applicable codes may be adequate to achieve sufficient mitigation of long term long-term impacts. Additional SEPA review may be required at such time as future development is proposed.

No additional mitigation measures will be required pursuant to SEPA at this time.

DECISION – SEPA

This decision was made after review by the responsible official on behalf of the lead agency of a completed environmental checklist and other information on file with the responsible department. This constitutes the Threshold Determination and form. The intent of this declaration is to satisfy the requirements of the State Environmental Policy Act (RCW 43.21C), including the requirement to inform the public agency decisions pursuant to SEPA.

- [X] Determination of Non-Significance. This proposal has been determined to not have a significant adverse impact upon the environment. An EIS is not required under RCW 43.21C.030 2C.
- [] Determination of Significance. This proposal has or may have a significant adverse impact upon the environment. An EIS is required under RCW 43.21C.030 2C.

RECOMMENDED CONDITIONS - SEPA

None.

RECOMMENDED CONDITIONS – REZONE

The Director recommends approval of the proposed rezone from IC-85 to SM-85 with the PUDA as proposed by the applicant, as follows:

“To not increase the height or FAR from that currently allowed under the IC zone unless and until the City adopts revised zoning for the SM zone or this site.”

Signature: _____ (signature on file)
Molly Hurley, Senior Land Use Planner
Department of Planning and Development

Date: January 17, 2013